

NEWS FROM ED MARKEY

United States Congress

Massachusetts Seventh District

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MARKEY BLASTS REPUBLICAN ENERGY BILL DEAL

WASHINGTON, DC: Rep. Ed Markey (D-MA), a senior Member of the House Energy and Commerce Committee, held a press conference today and released a prepared statement on the announcement that the House and Senate Republicans have reached an agreement among themselves on the Energy Bill:

“When I was a boy, my father used to say that if you have a chance to win a baseball game by 5-0 or 15-0, it is better to win it by 5-0, because it’s really not a good idea to run up the score. It backfires on you. With this energy bill, the Republican Majority apparently has decided “We have the votes, so we’re going to run up the score.”

“What we are seeing with the energy bill is the result of a highly partisan, secretive process in which the Republicans have been talking only to other Republicans and have treated the Democratic Minority with maximum possible disregard and political arrogance. This is a final stage of process that began in secret with the Cheney Energy Task Force meetings with the big oil and natural gas companies, the coal industry, the nuclear industry, and the electric utility industry. It is a process that has excluded Democrats, and largely disregarded the interests of environmentalists, consumers, and labor.

“The Republican energy bill is provides the big energy companies with a political piñata of tax and regulatory subsidies, environmental rollbacks, and other special favors for energy producing industries. The total cost of this bill to the taxpayer is estimated to be approximately \$115 billion. This figure includes:

- special interest tax breaks that are expected to be at least \$16 billion (or twice the size of what even President Bush requested);
- \$59.9 billion in new authorizations for government subsidized R&D for the already profitable oil, gas, coal and nuclear industries;
- \$4.1 billion in reduced revenues to the federal government due to things like reduced oil drilling royalties, and reimbursing energy industries for the cost of preparing and filing environmental impact statements;
- \$29 billion that will be required to be spent by taxpayers to clean up local water supplies contaminated by the gasoline additive MTBE now that the companies that produced this additive are shielded from legal liability; and,
- \$6.9 billion for the ethanol mandate.

“In fact this \$115 billion total probably understates the true cost of this bill, for it is not yet possible to quantify how much electric rates will rise following the adoption of the so-called incentive ratemaking provisions, which allow the Federal Energy Regulatory Commission to approve much higher electricity rates, as well as other provisions that will impede competitive forces from bring down rates (such as the so-called “native load protection” provisions, which allow utilities to restrict competitors from getting access to wholesale transmission lines on a nondiscriminatory basis).

"But the true cost of this energy bill to the nation is more than just financial. From all of the accounts we have been able to read about what is in the final Republican energy bill, it has become crystal clear that this bill represents a disaster for the environment. It will allow more pollution of our air and our water. It will open up pristine public lands to oil and natural gas drilling. It will give the big oil companies a waiver from liability for contaminating drinking water supplies, leaving cities and towns across America stuck with the tab for cleaning up the oil companies' mess.

"The bill is also a disaster for energy consumers. It turns consumers upside down and shakes the money right out of their pockets in the form of higher gasoline prices at the pump and higher electric utility bills at home.

"This energy bill represents a historic failure to address the energy challenges facing our nation. At a time when we have approximately 130,000 troops fighting in the Middle East, it fails to substantially deal with our nation's increasing use of imported oil. America has only 3% of the world's oil reserves. That is our weakness. OPEC controls more than 70% of the oil reserves. That is their strength. Our strength is that America is the world's technological giant. But rather than harness our technological ingenuity by making ourselves more efficient in our consumption of oil, natural gas, or electricity, this bill falsely presumes that we can drill and strip mine our way to energy independence.

"It didn't have to be this way. I lived through the energy policy battles of the late Seventies, the Eighties, and the Nineties. Energy policy is not an inherently partisan issue. It breaks down over regional lines more than partisan lines – and it requires a balance between the interests of energy producing states and energy consuming states. We could have worked together to produce a more bipartisan and balanced bill, and the Republicans probably would have gotten most of what they really needed to get out of such a bill. They have chosen not to do that. Instead, the Republicans have chosen to shut Democrats out of the process and cram into this bill every single item on the political and policy wish list of the big energy producing companies. The resulting bill is extreme and over-reaching.

"What has happened with this bill demonstrates the disastrous consequences of Republican one-party rule and of unified Republican control of the White House, the Senate and the House of Representatives. Over the next few days, Democrats intend to stand and fight this energy policy abomination. We are not going to sit by quietly and allow a Wilding of our nation's environmental and consumer protection laws at the behest of the oil and natural gas companies. We are not going to stand by and allow our constituents to have to pay higher energy prices to line the pockets of the coal, nuclear, and utilities industries. We are going to battle to shed some light on what is in this energy bill, and we are going to do the best we can to ensure that it does not become law."

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